


# CITY OF MIAMI SPRINGS



James R. Borgmann  
City Manager

City Manager's Office  
201 Westward Drive  
Miami Springs, FL 33166-5289  
Phone: (305) 805-5010  
Fax: (305) 805-5040

TO: Mayor Bain and City Council

FROM: James R. Borgmann   
City Manager

SUBJECT: Country Club Improvements to Meet City Objectives

DATE: January 7, 2005

Following the directive from the Council to develop contracts with Carlos Santana for Food and Beverage, and with Dan Bradley for Golf Course management, numerous meetings were held with Jan Seiden, Ron Gorland, William Alonso, Carlos Santana, Dan Bradley and I, as well as with a number of contractors, which have resulted in the following recommended Country Club improvements for Council approval.

Implementation of the following recommended improvements, coupled with Carlos Santana taking over F&B, and loss reduction actions previously implemented, will result in the elimination of the approximately \$350,000 in losses (annually each of the last 3 years) from Food and Beverage.

Key objectives were determined to be:

- Reduce Food & Beverage loss to \$0 in future fiscal years, down from recent losses of approx. \$350,000 annually over the last 3 years
- Accommodation of all Council directives for resident usage, golf, support services and meeting the needs and desires of Santana and Bradley
- Reduce, if not eliminate, the possibility of resident & golfer interaction with catered guests
- Support the "fantasy experience" that Mr. Carlos is creating
- Ensure our "golfer experience" is not compromised, thereby protecting revenues
- Limit negative impact of construction and relocation within the Country Club to as little as possible to our residents, golfers and catering guests
- Accommodate golfer tournament banquets and civic group repetitive events
- Seamless transition from DJB F&B to Santana F&B/Catering operations
- City contracts with both DJB and Mr. Santana to support above facility objectives

In order to be able to develop the necessary contracts with DJB and Mr. Santana, it was determined that we should first resolve how to reconfigure the country club to meet the above objectives for a Pro Shop, bar, and golfer/resident and tournament/civic group service. It was determined that Mr. Santana's vision of converting the current 600 sq. ft.

Pro Shop into a bar with mostly outside seating would not adequately accommodate the golfers and residents during active use periods or during bad weather. This would not meet one of our key objectives because the Greenery would not normally be available for overflow because it will be Mr. Santana's centerpiece for catered events. There was also valid concern that this arrangement would lead to interaction of golfers/residents with catering customers, which Mr. Santana would like to avoid. It was also determined that the Curtiss Room (where the Pro Shop was originally to move) was too small to accommodate a Pro Shop, bar and table seating.

It was then noted that the Cavalier Room was larger and adjacent to storage areas that could support a bar, TV, golfer-fare grill and limited table seating. Placing the grill in the Cavalier Room would benefit both the City and the Santana F&B operation for golfers and residents because it eliminates the need to prepare short order foods in the same kitchen that's being used for catered events, and eliminates the transportation of F&B orders and food/drinks the 273 ft. between the Pro Shop and the kitchen.

Another significant benefit of using the Cavalier Room is that it moves the golfer and resident activity away from the Greenery (catering event) area to the other end of the Country Club. A cart-staging pad can easily be located next to the handicap parking area and windows in the corner of the Cavalier Room would allow the Pro Shop manager to simultaneously oversee the Pro Shop, the carts and the driving range.

While the Cavalier Room is larger than the Curtiss Room, and solves most of the identified objectives, it still does not completely solve our overflow concerns during golfer, resident and tournament/civic group events. During on-site inspection by all parties, it was agreed that by expanding the Cavalier Room by 540 sq. ft., to the sidewalk in front of the Cavalier Room and connecting that expansion to the end of the Curtiss Room, all objectives could be met providing multiple solutions to remaining outstanding unsettled issues (see attached floor plan).

With this proposed addition, the Cavalier Room would have enough space for:

- A small isolated grill
- Bar and table seating
- TV
- Pro Shop
- Ability to accommodate the 40-60 golfers and residents (on average) who currently gather in the Greenery between 5-9PM on a nightly basis during the high usage season. The 5-9PM period represents revenues of approx. \$170,000 which is 45% of total F&B revenues, of which 71% is alcoholic beverages, and a net operating loss in the 5-9PM time slot of approx. \$50,000 annually
- A location for the support of the expansion, on an event basis, of the Cavalier Room into the Curtiss Room, and/or the Curtiss Room into the recommended addition and the Cavalier Room
- An alternate location for Friday night karaoke and Sunday brunch's

**The cost to the City of proposed improvements is roughly estimated as follows:**

- Conversion of the Cavalier Room into a Pro Shop with two small offices –est. \$30,000

- Expansion of the Cavalier Room - 540 sq. ft. est. \$60,000 (per Tim Kimmons; not in the original \$50,000 proposed improvements)
- Cavalier Room Bar & Grill – est. \$40,000 (not in the original \$50,000 proposed improvements)
- Cart staging pad – est.\$2,000
- Architect - \$10,000
- Contingency – est. \$8,000
- The total cost of improvements to the City (above six bullet points) is approximately \$150,000, which will be offset by not incurring the annual F&B losses projected to be approx. \$100,000 (assumes no catering) or \$500,000 over the five year term of the agreement with Carlos Santana resulting in a net benefit to the City's residents of approx. \$350,000 \* (See note at bottom of page)

While the benefit to the City of the above expansion and build-out is primarily subjective, it is believed by all parties involved to present a viable and successful solution to all areas of concern. For instance, the new location of the Pro Shop will result in additional driving range revenues because of its proximity and immediate access. With the clear view of the pro shop, driving range and golf carts, the on-duty manager will be able see most of the major golfer service related activities. Also the addition to the Cavalier Room will ensure a positive golf and resident experience relative to the Greenery, thereby protecting our current trend of increasing month-over-prior-year-same-month golf revenues.

**Key transition dates are projected as follows:**

- Jan. 10<sup>th</sup> – Council approves above concept for the Cavalier Room, Grill Room and cart pad build-out (necessary to DJB and Santana contract development)
- Jan. 24<sup>th</sup> – Approve DJB contract extension until May 1, or on completion of the new Pro Shop (May/June?)
- Feb. 14<sup>th</sup> – approve Carlos Santana contract
- Feb. thru June/July - Plans, permitting and construction (assumes 45-60 days for construction RFP)
- April – approve new DJB contract
- May 1 – Carlos takes over F&B operations (DJB does F&B until May 1) and initiates catering events
- May/June - relocate Pro Shop into Cavalier Room and begin new grill/bar operations

\* Note: Based on current projections, the estimated FY2004-05 operating loss of Golf and F&B is now \$236,000 (including the \$150,000 construction cost) which will require all of the contingency fund of \$130,000 and an increase to the contingency fund of at least \$106,000 (assumes May 1 transition to Carlos Santana)

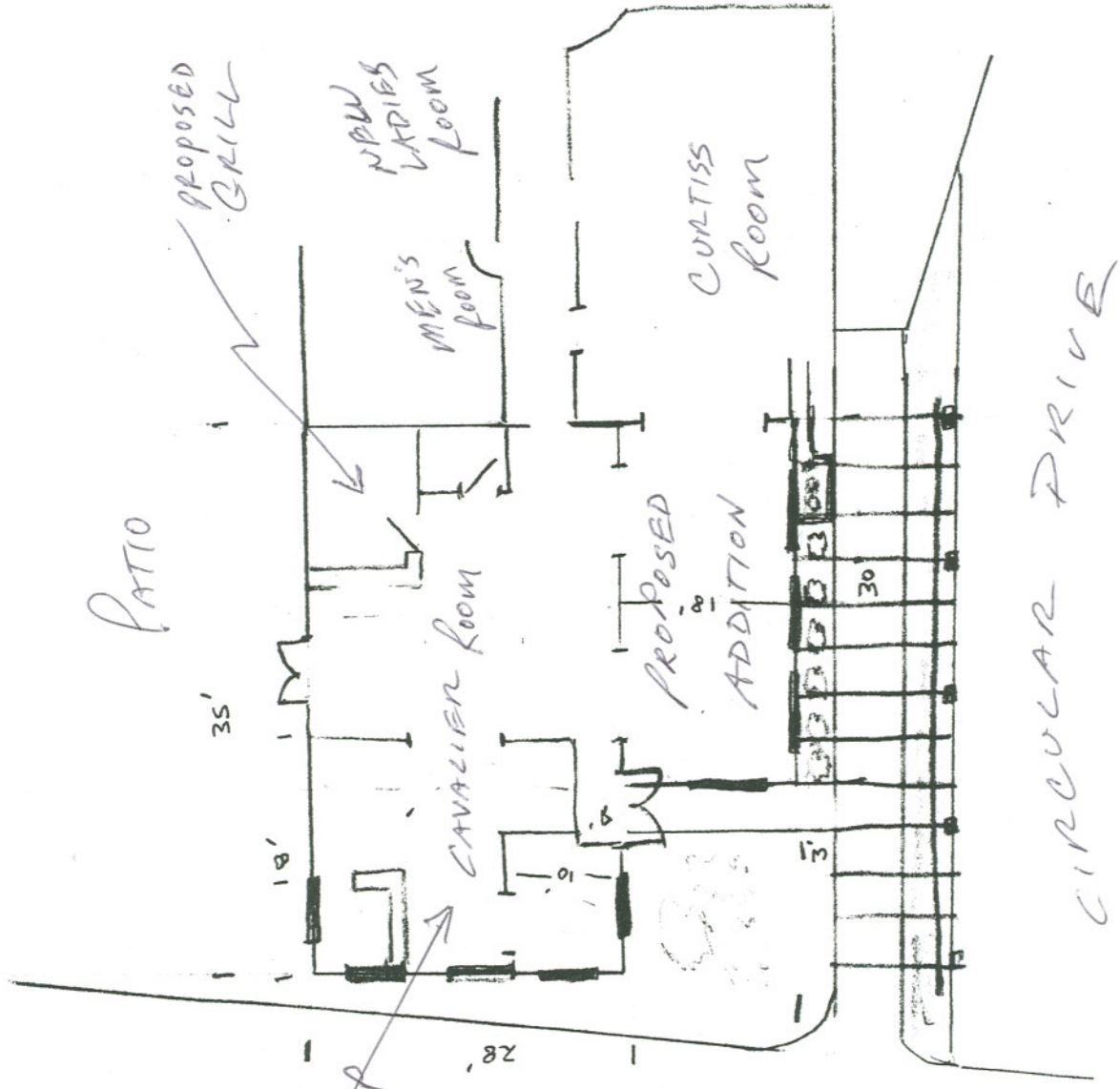
### **Required City Council Actions**

**Anticipated Major Country Club improvements proposed by Carlos Santana (in accordance with his RFP response)**

- Adobe facade for the Clubhouse (see attached artist rendering)
- Relocation of the Greenery bar with water and drain to the current pro shop area (water and drain pipes will be under the floor)
- Construction of a grill next to the Cavalier Room
- External and internal cosmetic alterations to achieve a "fantasy experience" for catering customers

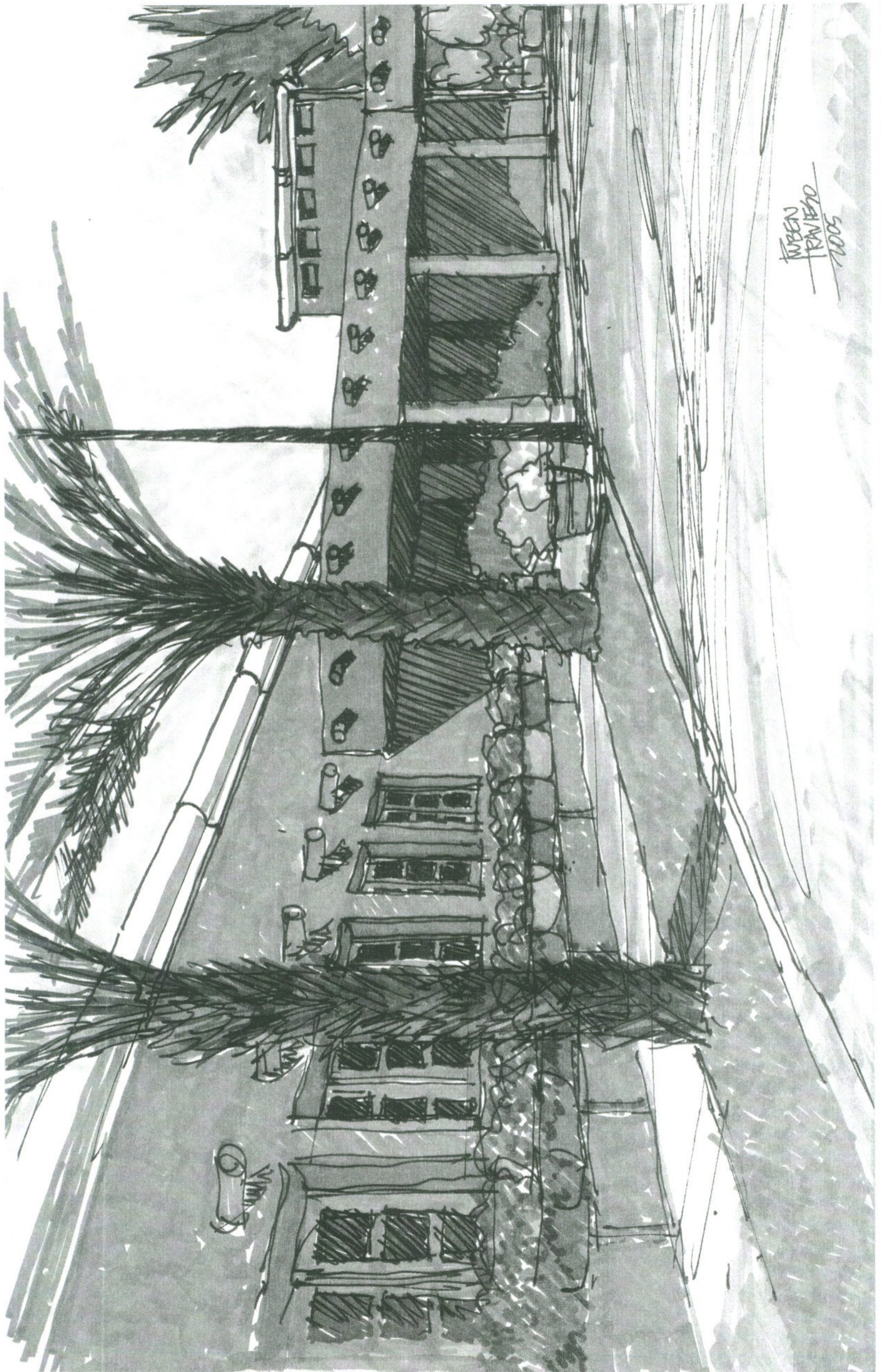
### **Key City actions requiring Council approval:**

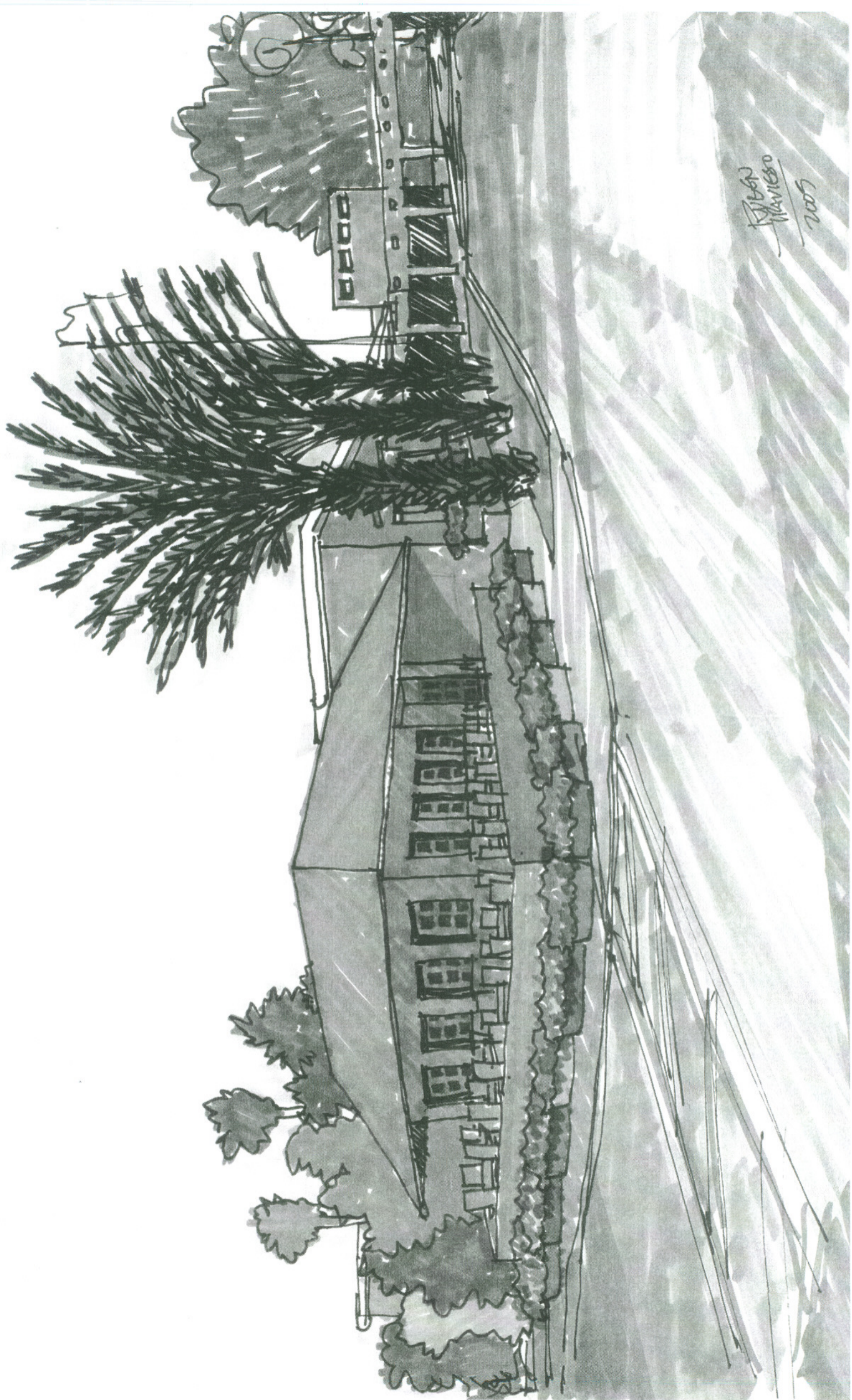
- Immediate approval to spend up to \$10,000 for required architect plans for the proposed Pro Shop, grill, and Cavalier Room extension
- Consideration of waiving the competitive bidding process based on the receipt of quotes (eliminates up to two months of delay due to the bidding process)
- Expenditure approval of up to \$150,000 for required improvements as discussed above
- Extension of current DJB contract to May 1<sup>st</sup>, or until the Pro Shop is completed



CURTISS PARKWAY

TUBEN  
RAVIERO  
2005





Ruben  
Naveso  
2005